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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 16, 2001

APPLICATION OF

THE NEW POWER COMPANY

CASE NO. PUE000435

For a license to conduct business as an electric service provider and an aggregator in a retail access pilot program

ORDER GRANTING LICENSES

On July 3, 2001, The New Power Company ("New Power" or "Applicant") filed an application for licensure to conduct business as an electric service provider and an aggregator to residential and commercial customers in Virginia Electric and Power Company's ("Virginia Power"), retail access pilot program. Previously, by Order dated September 28, 2000, in the captioned proceeding, the Commission issued New Power License No. PG-4 to provide competitive gas service in Columbia Gas of Virginia's ("CGV"), and Washington Gas Light's ("WGL") retail access pilot programs. In addition, New Power was issued License No. PA-3 to act as an aggregator in CGV's and WGL's retail access pilot programs.

On July 12, 2001, the Commission issued its Order for Notice and Comment, docketing the case, requiring that notice of the application be published, providing for the receipt of

comments from the public, and requiring the Commission's Staff to analyze the reasonableness of New Power's application and present its findings in a Staff Report to be filed on or before August 7, 2001.

Applicant filed proof of publication of its notice on August 1, 2001. No comments from the public on New Power's application were received.

The Staff filed its Supplemental Report on August 7, 2001, concerning New Power's fitness to provide competitive electric service as well as aggregation services. In its Report, the Staff summarized New Power's proposal and evaluated its financial condition and technical fitness. Staff concluded that New Power satisfied the financial and technical fitness requirements for licensure as requested.

The Staff recommended that New Power's current aggregator license, PA-3 be amended to allow it to act as an aggregator in the pilot program of Virginia Power. Staff further recommended that New Power be granted a license for the provision of competitive electric service to residential and commercial customers in Virginia Power's pilot program.

New Power filed a response to Staff's Supplemental Report on August 10, 2001, in which it stated that it agreed with the conclusions of Staff's Report but wished to clarify one point.

Applicant noted that although Staff was correct that it supplies

natural gas in Indiana and Michigan, New Power is not required to be licensed in these States. Therefore, contrary to Staff's Report, New Power is not licensed in Indiana and Michigan.

NOW UPON CONSIDERATION of the application, Staff's Supplemental Report, and the Company's August 10, 2001, reply to the Staff's Supplemental Report, the Commission finds that New Power's application to provide electric and aggregation services should be granted.

Accordingly, IT IS ORDERED THAT:

- (1) New Power's current aggregator license, License
 No. PA-3, is hereby amended to License No. PA-3A to allow New
 Power to also provide aggregation services to residential and
 commercial customers in the retail access pilot program of
 Virginia Power. This license to act as an aggregator is granted
 subject to the provisions of the Interim Rules Governing
 Electric and Natural Gas Retail Access Pilot Programs, 20 VAC 5311-10 et seq. ("Interim Rules"), this Order, and other
 applicable statutes.
- (2) New Power is hereby granted License No. PE-13 to provide competitive electric service to residential and commercial customers in the retail access pilot program of Virginia Power. This license to act as a competitive service provider is granted subject to the provisions of the Interim Rules, this Order, and other applicable statutes.

- (3) The licenses granted pursuant to ordering paragraphs 1 and 2 shall expire upon termination of Virginia Power's pilot program, unless otherwise ordered by the Commission. These licenses are not valid authority for the provision of any product or service not identified within the licenses themselves.
- (4) Failure of New Power to comply with the Interim Rules, the provisions of this Order, other State Corporation Commission orders and rules, or other applicable state or federal laws may result in an enforcement action by the Commission that includes, without limitation, the revocation, suspension, or modification of the licenses granted herein, the refusal to renew such licenses, the imposition of appropriate fines and penalties, or such other additional actions as may be necessary to protect the public interest.
- (5) This case shall remain open for consideration of any subsequent amendments or modifications to these licenses.